

SUMMARIZED MINUTES SCOTTSDALE CITY COUNCIL BUDGET SUBCOMMITTEE

Public Meeting
Thursday, April 13, 2006
City Hall Kiva Conference Room
3939 N. Drinkwater Blvd.
Scottsdale AZ 85251

CALL TO ORDER

The Budget Subcommittee meeting was called to order on Thursday, April 13, 2006 at 1:03 PM in the Kiva Conference Room.

ROLL CALL

Subcommittee: Councilman Robert Littlefield, Chairman

Councilmember Betty Drake Vice Mayor Ron McCullagh

Staff: Jan Dolan, Ed Gawf, Craig Clifford, Art Rullo, Michelle Korf, Neal

Shearer, Deb Baird, Bill Murphy, Judy Weiss, Teri Traaen, Brad Hartig, Pat Dodds, Bob Cafarella, Janet Cornell, Judge Monte Morgan, Deborah

Robberson

Also Present: Frank Jacobson, Councilman Wayne Ecton

GENERAL BUSINESS

- 1. Review the proposed FY 2006/07 Budget by Service Area.
 - Scottsdale Cultural Council (Frank Jacobson, Michelle Korf)

Frank Jacobson reviewed the decision of the Cultural Council Board to defer approval of their FY 2007 draft budget pending further analysis of proposed reductions. The challenge from the Board is that 10% of the operating budget be placed in reserves and that no programs are cut, while planning for declining revenues. About ten positions will either be cut or remain unfilled.

Discussion was held regarding the disadvantage of having only 800 seats in Theatre 4301, and plans for broadening the base of overall donors. Mr. Jacobson said they understand the importance of the Proposition 402 election in May, and will work with the City to reduce costs even further if necessary.

• Community Services (Deb Baird, Neal Shearer)

Deb Baird provided an overview of the department's total budget of \$58M, an increase of \$7.7M over 05/06. Personnel services account for \$31.5M of the budget, and a large increase in utilities accounts for about \$1M. Eighteen full-time employees (FTEs) are proposed to staff new facilities and programs, and one conversion from contract to FTE is proposed.

In response to questions regarding proposed construction of tennis courts at DC Ranch, Judy Weiss noted there is approximately a \$400,000 shortfall in the project budget, but staff is looking at options to fund this project, and it is hoped that construction will begin this summer.

Discussion was held regarding performance measures in each division, as well as the level of performance and activities associated with staffing the CAP Basin Sports Complex.

In regard to the two Decision Package Requests:

- The latest information on Villa Monterey is there is an option to purchase by a private party
- The School District has made a commitment to do a better job with Youth Ball Fields maintenance, and members of the Subcommittee believe they should be given a year to accomplish that before the City would consider further effort.

Public testimony:

Camille Schmidt, 19868 N 84th Way, 85255, Chair of the Library Advisory Board, expressed appreciation for the donation of land in the Silverstone development for the Appaloosa Library, and for the Arabian Library being re-built separately from the elementary school.

Vice Mayor McCullagh expressed concerns that six libraries in a city the size of Scottsdale is extravagant, and that the Silverstone location would serve more Phoenix citizens than Scottsdale citizens. Staff said library needs are driven by demands from the public due to the length of the city and travel times, and they will share their analyses with the Subcommittee.

An additional concern of Vice Mayor McCullagh's is whether \$10M in improvements of the TPC Desert Golf Course is a shrewd investment. Staff clarified that the PGA initiated this request, and that this money has to be used at that location, on that land, and on those facilities.

• Financial Services (Craig Clifford, Neal Shearer)

Craig Clifford reviewed the functions of the six divisions of Financial Services, and the request for two new FTEs. The \$2.3M increase over last year's budget is due primarily to the need to purchase a cargo van for delivery of supplies, and the anticipated increase in premiums and claims in Risk Management.

• Human Resources (Teri Traaen, Neal Shearer)

Teri Traaen explained the request for one new FTE, a Systems Integrator, as well as proposed training needs, consulting services, and fingerprinting charges that are driving the request of \$700,000 over last year's Operating Budget.

• Information Systems (Brad Hartig, Neal Shearer)

Brad Hartig reviewed the seven major divisions of Information Services, and the proposed increase of \$551,000 in the Operating Budget. Three new FTEs are proposed, driven by service demands. Two decision packages include a contract of \$174,400 for Radio Maintenance & Support Services and Equipment, and \$37,000 for a Radio Support Van. He also described two decreases due to the functions being performed every two years: one in aerial photography, and one for a vulnerability audit of the network.

• Communications & Public Affairs (Pat Dodds, Neal Shearer)

Pat Dodds described the 6.8% increase as primarily salary for the 14.5 employees in this department. Other increases include printing and postage, contractual increases, license fees, and recognition events for Volunteers.

Legislative, City Manager and Government Relations (Neal Shearer)

Neal Shearer said of the \$46,000 increase in the City Manager's Operating Budget, 78% is for salaries. Additional expense is proposed for new tables and chairs in the conference room in order to hold more people. A decrease in the budget for Government Relations is due to moving two positions to the City Clerk's office.

The Budget Subcommittee agreed they would like to provide input on the reviews of Government Relations employees that provide assistance to them.

• **Preservation** (Bob Cafarella, Ed Gawf)

Bob Cafarella provided an overview of the proposed budget of \$1,168,829, an increase of \$291,822 over FY 05/06. Of that, \$100,000 is for a Historical Preservation Program. One FTE is proposed to perform duties in the new Environmental Compliance Program.

Vice Mayor McCullagh requested an estimate of funds from the General Fund that are spent on the Preserve.

• City Court (Janet Cornell, Judge Morgan)

Janet Cornell reviewed the Operating Budget of \$8,985,100. Three decision packages are proposed:

Council Budget Subcommittee Meeting Minutes April 13, 2006 Page 4

- o A contract worker to temporarily replace a CSR serving in the Military
- Upgrade of security access key pads
- o Acquire contract service for a Technology Programmer

• **City Attorney** (Deborah Robberson)

Deborah Robberson provided an overview of the department's \$6.4M budget, an increase of 11% over FY 05/06, with the majority of the increase driven by personnel services. One additional FTE is proposed, as well as an increase from a 50% PT to a 75% PT with benefits. \$200,000 is proposed for Scottsdale Public Service Ethics Program, and \$44,700 for completion of the demonstration project of Photo Enforcement on Loop 101.

MEETING SCHEDULE

The next meeting is scheduled for Wednesday, April 19, 2006 at 1:00 PM in the City Hall Kiva Conference Room.

ADJOURNMENT - With no further business to discuss, the meeting adjourned at 4:55 PM.

SUBMITTED BY:

Sandy Dragman

Recording Secretary

Sandra K. Dragman